

## **SECTION 6 – FEES AND COLLECTION PROCEDURES**

### **6.1 GENERAL**

The charges, rates and fees for the District are set by the District's Board of Directors after published legal notice and at a public meeting.

### **6.2 PAYMENT OF MONTHLY SERVICE CHARGES**

6.2.1 The District will bill all service charges quarterly. The District shall have the right, at its sole discretion, to terminate water service to any Consumer who becomes 90 days tardy in payments, after due notice to the Consumer.

6.2.2 The District shall have the right to assess all legal, court and other costs necessary to the collection of said account and/or termination of said service.

6.2.3 All consumer accounts will be charged a late payment penalty of 18% per annum (1.5% monthly) for unpaid balances over 30 days due from the invoice due date.

### **6.3 TURN-ON FEE**

If service is discontinued due to delinquency of a bill, a turn-on fee of \$100.00 will be charged the Consumer for re-establishment of service. The District shall have sole power and authority to turn on services.

### **6.4 CASH DEPOSIT**

The District may, in its discretion, require any Consumer to provide the District a cash deposit to assure payment of bills as the same accrues.

### **6.5 PERPETUAL LIEN**

Until paid, all fees and charges of the District shall constitute a perpetual lien against the property being served, and subject such property to foreclosure as provided by law.

### **6.6 COLLECTION PROCEDURES**

6.6.1 Invoices will be sent out during the first week of the first month of each quarter. Payment will be due by the first week of the second month of each quarter.

6.6.2 The first past due notice will be sent out to all accounts that have not been paid by the invoice due date.

6.6.3 The second (30 day) past due notice will be sent out to all accounts that have not been paid within 30 days of the invoice due date. A 1.5% monthly late payment penalty fee will be assessed.

6.6.4 The third (60 day) past due notice will be sent out to all accounts that have not been paid within 60 days of the invoice due date. A 1.5% monthly late payment penalty fee will be assessed.



- 6.6.5 A (90 day past due) Notice of Disconnect of Service will be sent out to all accounts that have not been paid within 90 days of the invoice due date. The Notice will be sent by Certified US Mail. The certified mail charge and an additional 1.5% monthly late penalty fee will be assessed at this time. Payment will be due within two to three weeks from date of Notice, the time period to be determined by the Board of Directors' Accountant.
- 6.6.6 If there has been no response to the Notice of Disconnect of Service by the date identified in the Notice, a second Notice will be hand delivered to the home of the Consumer. A \$25.00 charge will be assessed at this time. If payment is not received within 3 – 5 days, the time period to be determined by the Board of Directors' Accountant, service will be disconnected.
- 6.6.7 If a Perpetual Lien is filed against the property being served, the total cost of disconnection and turn-on fees, late payment interest fees, and all costs associated with filing of the Lien will be required to be paid in full prior to release of the Lien. The Lien will not be released until the property closes to a new resident.
- 6.6.8 The Accountant for the Board of Directors may, at any time, agree to set up a payment plan for a Consumer who is past due in paying for services. As long as the terms of the agreement are met, there will be no disconnection of service or filing of a Lien.